CR 14 160

PSS:JL/SD
F. #2012R00796

KUNTZ, J.

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - - - - - - - - - - - X

UNITED STATES OF AMERICA

- against -

WILLIESTEINA JACOBS,

Defendant.

- - - - - - - - - - - - - - X

INDICTMENT

Cr. No. ______________

(T. 26, U.S.C., § 7206(2); T. 18, U.S.C., §§ 3551 et seq.)

FILED
CLERK
2014 MAR 21 PM 12: 17
U.S. DISTRICT COURT
EASTERN DISTRICT

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

1. The defendant WILLIESTEINA JACOBS owned and operated International Professional Business Services, also known as International Professional Business and International Professionals ("IPB"), a tax return preparation business, which was located in South Richmond Hill, New York and Jamaica, New York.

2. Through IPB, WILLIESTEINA JACOBS prepared and caused the preparation of U.S. Individual Income Tax Returns, Forms 1040 ("Forms 1040") and related Internal Revenue Service ("IRS") Schedules for submission to the IRS, using, among other means, the Electronic Filing Identification Number assigned by the IRS to IPB.

3. Forms 1040 were and are individual income tax returns, which taxpayers submit to the IRS on a yearly basis, wherein taxpayers report items including income, certain expenses, and tax. A Schedule C, "Profit or Loss from Business (Sole Proprietorship)" ("Schedule C") was and is an IRS form that is attached to a Form 1040 when applicable and is used by taxpayers to report gross receipts, expenses, and profit and loss from a business operated by the taxpayer as a sole proprietorship. A Schedule A, "Itemized Deductions" ("Schedule A") was and is an IRS form that is attached to a Form 1040 when applicable and is used by taxpayers to claim certain permissible deductions from taxable income. Deductions to be claimed on a Schedule A include, among other things: gifts to charity, job-related and other miscellaneous expenses such as unreimbursed employee expenses, and state and local taxes paid.

4. WILLIESTEINA JACOBS prepared false Forms 1040 and related Schedules for IPB clients for tax years 2007, 2008, and 2009, through a number of means. To Forms 1040, WILLIESTEINA JACOBS attached Schedules C that were false because the Schedules C reported business receipts the taxpayers did not receive and business losses the taxpayers did not incur. To Forms 1040, WILLIESTEINA JACOBS attached Schedules A that reported inflated or fictitious deductions.

5. WILLIESTEINA JACOBS's preparation of false Forms 1040 and related Schedules resulted in clients improperly benefiting from a decrease in the amount of tax due and owing to the IRS.

COUNTS 1 THROUGH 27
(Aiding in the Preparation of False Returns)

6. The allegations contained in paragraphs one through five are realleged and incorporated as if fully set forth in this paragraph.

7. On or about the dates set forth below, within the Eastern District of New York and elsewhere, the defendant WILLIESTEINA JACOBS, did willfully aid and assist in, and procure, counsel and advise the preparation and presentation to the IRS, of Forms 1040, either individual or joint, for the taxpayers and tax years set forth below. The returns were false and fraudulent as to material matters, in that they represented that: (1) the taxpayers had business income or losses resulting from businesses, whereas the defendant then and there knew the taxpayers did not operate businesses that earned business income or sustained business losses in the claimed amounts; (2) the taxpayers operated businesses that incurred expenses in the amounts hereinafter specified, whereas the defendant then and there knew the taxpayers did not operate businesses that incurred expenses in the claimed amounts; and (3) the taxpayers were entitled under the provisions of the Internal Revenue laws to claim deductions for items and in amounts hereinafter specified, whereas the defendant then and there knew the taxpayers were not entitled to claim deductions in the claimed amounts. The returns for the taxpayers listed below, whose identities are known to the Grand Jury, were false and fraudulent as to material matters, as set forth below:

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
1	W.L.	2007	March 15, 2008	a. Schedule C b. Form 1040, line 12, business loss of $11,120 c. Schedule A, line 16, gifts by cash or check of $3,120 d. Schedule A, line 21, "MISC TOOLS AND SUPPLIES" of $1,603
2	W.L.	2008	January 26, 2009	a. Schedule C b. Form 1040, line 12, business loss of $3,479 c. Schedule A, line 16, gifts by cash or check of $1,040
3	W.L.	2009	January 22, 2010	a. Schedule C b. Form 1040, line 12, business loss of $5,501 c. Schedule A, line 16, gifts by cash or check of $1,880 d. Schedule A, line 21, "MISC TOOLS AND SUPPLIES" of $1,117 e. Schedule A, line 21, "GROOMING" of $520
4	C.W.	2007	February 9, 2008	a. Schedule C b. Form 1040, line 12, business loss of $3,891 c. Schedule A, line 16, gifts by cash or check of $3,620 d. Schedule A, line 21, "PHONE USE" of $360

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
5	C.W.	2008	February 7, 2009	a. Schedule C b. Form 1040, line 12, business loss of $4,835 c. Schedule A, line 16, gifts by cash or check of $2,600 d. Schedule A, line 21, "PHONE USE" of $360
6	C.W.	2009	February 18, 2010	a. Schedule C b. Form 1040, line 12, business loss of $3,279 c. Schedule A, line 16, gifts by cash or check of $3,120 d. Schedule A, line 21, "PHONE USE" of $720
7	B.G.	2007	January 30, 2008	a. Schedule C b. Form 1040, line 12, business loss of $2,660
8	B.G.	2008	February 23, 2009	a. Schedule C b. Form 1040, line 12, business loss of $6,875
9	G.R.	2007	April 14, 2008	a. Schedule C, line 28, total expenses before expenses for business use of home of $13,010 b. Form 1040, line 12, business loss of $1,935 c. Schedule A, line 16, gifts by cash or check of $1,855 d. Schedule A, line 21, "GROOMING" of $3,120

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
10	G.R.	2008	April 9, 2009	a. Schedule C, line 28, total expenses before expenses for business use of home of $13,127 b. Form 1040, line 12, business loss of $2,425 c. Schedule A, line 16, gifts by cash or check of $2,600 d. Schedule A, line 21, "GROOMING" of $3,120
11	G.R.	2009	March 25, 2010	a. Schedule C, line 28, total expenses before expenses for business use of home of $15,053 b. Form 1040, line 12, business income of $1,365 c. Schedule A, line 16, gifts by cash or check of $2,600 d. Schedule A, line 21, "GROOMING" of $3,120
12	C.C.	2008	April 3, 2009	a. Schedule C b. Form 1040, line 12, business loss of $4,828
13	C.C.	2009	January 25, 2010	a. Schedule C b. Form 1040, line 12, business loss of $4,364

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
14	S.M.	2007	March 29, 2008	a. Schedule C, line 28, total expenses before expenses for business use of home of $4,184 b. Form 1040, line 12, business loss of $2,584 c. Schedule A, line 16, gifts by cash or check of $2,655 d. Schedule A, line 17, gifts other than by cash or check of $500
15	S.M.	2008	January 28, 2009	a. Schedule C, line 28, total expenses before expenses for business use of home of $5,082 b. Form 1040, line 12, business loss of $4,882 c. Schedule A, line 16, gifts by cash or check of $4,305 d. Schedule A, line 17, gifts other than by cash or check of $500
16	S.M.	2009	January 22, 2010	a. Schedule C, line 28, total expenses before expenses for business use of home of $9,111 b. Form 1040, line 12, business loss of $8,261 c. Schedule A, line 16, gifts by cash or check of $4,080 d. Schedule A, line 17, gifts other than by cash or check of $500

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
17	V.M.	2007	February 25, 2008	a. Schedule C b. Form 1040, line 12, business loss of $4,121 c. Schedule A, line 16, gifts by cash or check of $5,200
18	V.M.	2008	March 23, 2009	a. Schedule C b. Form 1040, line 12, business loss of $8,458 c. Schedule A, line 16, gifts by cash or check of $3,900
19	V.M.	2009	March 31, 2010	a. Schedule C b. Form 1040, line 12, business loss of $5,413
20	B.B.	2007	February 5, 2008	a. Schedule C b. Form 1040, line 12, business loss of $4,477 c. Schedule A, line 16, gifts by cash or check of $2,665 d. Schedule A, line 21, "GROOMING" of $1,560
21	B.B.	2008	April 10, 2009	a. Schedule C b. Form 1040, line 12, business loss of $2,655 c. Schedule A, line 16, gifts by cash or check of $3,260 d. Schedule A, line 21, "GROOMING" of $3,120
22	G.M.	2007	January 14, 2008	a. Schedule C b. Form 1040, line 12, business loss of $4,064
23	G.M.	2008	February 3, 2009	a. Schedule C b. Form 1040, line 12, business loss of $4,399

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
24	G.M.	2009	January 27, 2010	a. Schedule C b. Form 1040, line 12, business loss of $3,835
25	C.S.	2007	February 12, 2008	a. Schedule C, line 28, total expenses before expenses for business use of home of $6,347 b. Form 1040, line 12, business loss of $4,547 c. Schedule A, line 16, gifts by cash or check of $3,600 d. Schedule A, line 21, "FORM 2106" of $2,301 e. Schedule A, line 21, "GROOMING" of $1,560 f. Schedule A, line 21, "PHONE USE" of $900
26	C.S.	2008	March 17, 2009	a. Schedule C, line 28, total expenses before expenses for business use of home of $8,224 b. Form 1040, line 12, business loss of $5,994 c. Schedule A, line 16, gifts by cash or check of $3,615 d. Schedule A, line 21, "FORM 2106" of $4,577 e. Schedule A, line 21, "GROOMING" of $6,240 f. Schedule A, line 21, "PHONE USE" of $960 g. Schedule A, line 21, "MISC SUPPLIES N BOOKS" of $1,955

COUNT	TAXPAYER	TAX YEAR	APPROXIMATE DATE OF SUBMISSION	FALSE ITEM(S)
27	C.S.	2009	February 3, 2010	a. Schedule C, line 28, total expenses before expenses for business use of home of $12,964 b. Form 1040, line 12, business loss of $12,054 c. Schedule A, line 16, gifts by cash or check of $4,080 d. Schedule A, line 21, "FORM 2106" of $4,801 e. Schedule A, line 21, "GROOMING" of $6,240 f. Schedule A, line 21, "PHONE USE" of $960 g. Schedule A, line 21, "MISC SUPPLIES N BOOKS" of $365

(Title 26, United States Code, Section 7206(2); Title 18, United States Code, Sections 3551 et seq.)

A True Bill

FOREPERSON

LORETTA E. LYNCH
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

BY:
ACTING UNITED STATES ATTORNEY
PURSUANT TO 28 C.F.R. 0.136

11249429.1

F. #2012R00796

FORM DBD-34
JUN. 85

No.

UNITED STATES DISTRICT COURT

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

WILLIESTEINA JACOBS,

Defendant.

INDICTMENT

(T. 26, U.S.C., § 7206(2); T. 18, U.S.C., §§ 3551 et seq.)

A true bill.

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Foreperson

Filed in open court this _________________ *day,*

of ____________ *A.D. 20* _____

____

Clerk

Bail, $ ______________________________________

Jennifer R. Laraia, Trial Attorney, Tax Division (202-353-7580)